

Lake City Municipal Sewer Authority of July 10th, 2018

This meeting was held at the Lake City Borough Council Chambers at 7:00 p.m.

Attending: Robert Pier-excused; David Jackson – acting chairperson; Rick York; Joseph Legnasky; Darwin Michelson – excused; Attorney Bax. Engineer Steve Halmi.

Visitors: Sewer Plant Operator – Brent; Councilperson Betty Stephens; Councilman Doug Straw.

Minutes for approval: Minutes of June 12th, 2018 motion by Rick York, second by David Jackson motion carried.

Financial Report:

PNC business account: deposits of 6/04/2018 - \$182,5120.94

Deposits of 6/21/2018 - \$237,645.00

Interest withdrawal on 6/1/2018 - \$1513.76

Check # 1009 on 6/15/2018 for \$237,645.00

Check # 1010 on 6/15/2018 for \$1312.00

Balance of \$462,028.14 as of 6/29/2018

Pennvest Interest for July 2018 will be \$1716.65 this was withdrawn on the business account on July 1st, 2018.

Bill for Approval:

The McDonald Group LLP – Invoice #61372 - \$555.00

The McDonald Group LLP – Invoice #61410 - \$240.00 check # 1011

Deiss & Halmi Engineering Inc. – Invoice # 5-18-3A - \$10,242.62

Deiss & Halmi Engineering Inc. – Invoice # 5-18-3C - \$1,000.00 check #1012

MacDonald Elli Attorneys – Invoice PA closing - \$13,389.65 check #1014

Konzel Construction Co. – Payment # 5 - \$521,825.29 checks #1014/#1060

PMAA - \$590 - Check # 1080

Motion to approve the bills by Rick York second by David Jackson motion carried.

Motion to request draw number 15 from Andover Bank for \$100,000.00 to cover the Konzel payment #5 and at the time Pennvest funding check is applied to the account the \$100,000.00 will be paid back on the loan. Motion by David Jackson and second by Rick York motion carried.

Steve Halmi:

Steve will submit to Pennvest the Konzel Construction payment #5 as well as the Engineering bills and Attorney bills to date. Attorney Bax will submit the current unreimbursed bills to Steve and provide an invoice from MacDonald Illig Attorneys for the Pennvest closing. Motion by Rick York and second by David Jackson motion carried.

Job conference report was sent out via email.

Tanks have been completed and are now filled with water and under testing.

Sludge press building is complete and Penelec has now connected the power.

Piping to the buildings is under way. The piping is complete to the south tank.

RBC aeration is underway with the blowers and water lines to be connected.

CW Beal is scheduled to start the pressure washing and painting on the tanks next week thru September.

Pending change orders – replacing the guide rails on pump # 3 for time and materials. Electrical plan had to change to a pole-mounted transformer this is an adder of 300 feet of materials no cost on this item. Additional piping and remove of a manhole at the RBC's area no estimate at this time.

Scum Lines – they have a three way valve – there will be a holding tank for the grease which is 6 feet in diameter x 20 feet deep (approx 4000 gallons) This change will be an ongoing maintenance cost for the borough. This is a continuing project development and no true cost is determined at this time.

Clarifier drive Model 6F on the Primary Drives – this was an adder to the Pennvest loan and approved. Cost would be as follows: New units from Amwell at \$33,668 per unit delivered to the plant; Konzel Construction to remove the units and replace with the new wiring - \$33,498.09 Erie Tech to rebuild at \$18,800 each (problem could not met the PA procurement Act); Ace Viking to rebuild with new gears, bearing and seals from Amwell at \$13,210 each. Motion by Rick York to use Ace Viking to rebuild and second by David Jackson after a long discussion this motion failed to pass. Motion by David Jackson and second by Joseph Legnasky to acquire new Amwell units and request a requote from Amwell and Konzel Construction for a reduction in cost. Motion carried.

Attorney Bax:

Water Line Easement deed of grant returned with signature of one of the two LLC members and continue to await return of the second signature for recording.

Primary Clarifier Drives discussion:

- The Pennsylvania Steel Products Procurement Act (SPPA) applies to both the LCMSA and LCB authorities and boroughs are public agencies obligated to require American steel products for public works projects.
- The SPPA state in relevant part, “if a product contains both foreign and United States steel, such product shall be determined to be a United States steel product only if at least 75% of the cost of the articles, materials and supplies have been mined, produced or manufactured, as the case may be, in the United States.
 - LCMSA as the public agency can issue waiver, if it determines that the steel precuts are not produced in the United States in sufficient quantities to meet the requirements of the construction contract.
- Reviewed the federal American Iron and Steel Act (AIS) as it pertains to the possible replacement of the primary clarifier drives.

* As AIS waiver needs to be approved by PaDEP not the LCMSA.

- PaDEP FAQs states that thei (AIS) requirement does NOT apply to any mechanical or electrical components or equipment that include iron or steel parts.
- Conclusion – AIS requirement would not apply to the primary clarifier drives as a “mechanical component” however SPPA requirements would apply.

Builder’s Risk Insurance:

- Confirming that the Borough’s insurance policy for the WWTP will reflect the increased value of the improvements to the Waste Water Treatment Plant property.
- LCMSA per contract is required to have Builder’s Risk Insurance coverage, as is described under the Property Insurance provisions of the General Conditions of the Contract in Paragraph 5.06 of the General Conditions of the Contract.
- Builders Risk Insurance relates to loss perils that could occur during the construction project. The construction contracts require that the contractor and subcontractors are to be listed as additional insured to the extent of their interest.
- LCB has new property insurance broker HUB.
- Per Jame Laughlin of HUB insurance, substantial progress was made on completing the insurance application. He anticipates no problems with obtaining this coverage.

Next Meeting will be on August 14th, 2018

Motion to adjourn at 9:20 p.m. motion by David Jackson and second by Joseph Legnasky motion carried

Jll